

**ARIZONA STATE PARKS BOARD  
APACHE JUNCTION COUNCIL CHAMBERS  
300 E. Superstition Blvd., Apache Junction, AZ  
MARCH 17, 2010  
MINUTES**

**Board Members Present**

Reese Woodling, Chairman  
Tracey Westerhausen, Vice Chairman  
William Scalzo  
Maria Baier (arrived at 9:32 a.m.)  
Arlan Colton

**Board Members Absent**

Walter Armer  
Larry Landry

**Staff Members Present**

Renée Bahl, Executive Director  
Jay Ream, Assistant Director, Parks  
Jay Ziemann, Assistant Director, Partnerships and External Affairs  
Kent Ennis, Assistant Director, Administration  
Monica Enriquez, Public Information Officer  
Randy Miller, Information Technology  
Jeanette Hall, Chief, Human Resources  
Ellen Bilbrey, Public Information Officer  
Janet Hawks, Chief, Parks

**Attorney General's Office**

Laurie Hachtel, Assistant Attorney General  
Monique Coady, Assistant Attorney General

**A. CALL TO ORDER FOR EXECUTIVE SESSION - ROLL CALL - Time Certain:  
9:00 A.M.**

Mr. Colton made a motion for the Board to go into Executive Session. Ms. Westerhausen seconded the motion and it carried unanimously.

Chairman Woodling called for Executive Session at 9:10 a.m.

**B. EXECUTIVE SESSION - Upon a public majority vote, the Board may hold an Executive Session that is not open to the public for the following purposes:**

- 1. To discuss or consult with its legal counsel of legal advice on matters listed on this agenda pursuant to A.R.S. §38-431.03.A.3. and A.R.S. §38-431.03.A.4.2.**
  - a. Legal Advice Regarding Arizona Constitution, Article IX, §14 and Proposed Fees.**
  - b. To discuss or consult with its legal counsel of legal issues regarding budget measures including, but not limited to, park closures, grant contracts, State Parks contracts, personnel reductions and other operational ramifications.**

- c. **Legal Advice Regarding Fees and Donations to State Parks.**
- d. **To discuss or consult with its legal counsel regarding proposal to lease and/or acquire Lake Havasu State Park.**

**C. CALL TO ORDER - ROLL CALL – Time Certain: 10:00 A.M.**

Chairman Woodling called the Public Session to order at 10:08 a.m. Chairman Woodling began by thanking the Mayor and City Council of the City of Apache Junction for the use of their facility.

Roll Call indicated a quorum was present.

**D. INTRODUCTIONS OF BOARD MEMBERS AND AGENCY STAFF**

Mr. Colton read the Board Statement.

- 1. **Board Statement** - "As Board members we are gathered today to be the stewards and voice of Arizona State Parks and its Mission Statement to manage and conserve Arizona's natural, cultural, and recreational resources for the benefit of the people, both in our parks and through our partners."

The Board and staff introduced themselves.

- E. **CALL TO THE PUBLIC** – Consideration and discussion of comments and complaints from the public. Those wishing to address the Board must register at the door and be recognized by the Chair. It is probable that each presentation will be limited to one person per organization. Action taken as a result of public comment will be limited to directing staff to study or reschedule the matter for further consideration at a later time.

Chairman Woodling read into the record a letter from the Interim City Manager of Lake Havasu City. [The letter is included in these minutes].

Mark LeResche, Superstition Harley Davidson, spoke about a public forum to held at his dealership for Lost Dutchman State Park. It was held on March 18, 2010 from 6:30-8p.m. He invited the public to this forum to help with ideas to keep Lost Dutchman State Park open.

Dale Anderson from Lost Dutchman RV Park spoke next in support of the continued opening of Lost Dutchman State Park. He suggested posting envelopes at all access to the parks not just at the entrance gates. He said hikers would be willing to pay to access the park but may not enter through the main entrances. Chairman Woodling asked if the other entrances are along the trails. Mr. Anderson answered that there are several entrances to the park along trails and if there were envelopes many hikers would be willing to pay those fees.

Jean Winkler, Lost Dutchman RV Park, spoke in support of using volunteers to keep parks open. She said where she is from in Wisconsin a park was going to close and a friends group was established there and saved the park. She hoped something similar could happen here.

Judy Borey, Boys and Girls Club of East Valley, Apache Junction, spoke in support of keeping Lost Dutchman State Park open. She said she brings children to the park to learn about environmental education. Chairman Woodling asked if the Boys and Girls Club brings someone with them to teach the children or if they utilize one of the park's rangers? Ms. Borey said she has brought someone with her but has also utilized park staff before and the kids enjoyed the education.

Carol Cullen, Save the Presidio, Tubac Historical Society, spoke in support of Tubac Presidio State Historic Park. She said that in one week the business community in Santa Cruz County raised half of the entire money raised and now they have \$30,000 banked to keep the park open. She said they are now working with parks staff and Santa Cruz County to keep Tubac open. Ms. Westerhausen asked if people want to donate to the Tubac Historical Society for Tubac Presidio State Historic Park how should they go about doing that? Ms. Cullen answered people should go to the Tubac Historical Society website to donate or by mail at the PO Box 2641, Tubac, AZ 85646. Mr. Colton asked if Tubac is included in the I7 agenda item. Ms. Bahl answered yes. Mr. Scalzo suggested taking as many volunteers to the Board of Supervisors meeting in Santa Cruz County as possible.

Drew John, Graham County and Friends of Roper Lake State Park, spoke in support of Roper Lake State Park. He said he is happy the Game & Fish Department and Graham County has come forward to assist in delaying the park closure for 60 days and hopes the Parks Board will vote to approve this agreement.

John Stanton, Rim Country Regional Chamber of Commerce, spoke in support of Tonto Natural Bridge State Park. He said he hopes the Parks Board will vote to approve the agreement with the Town of Payson to keep Tonto Natural Bridge State Park open until September 27, 2010. Ms. Westerhausen commented that Payson was the pioneer to keep parks open through community support. She thanked them for their efforts. Mr. Stanton said to contact the Friends of Tonto Natural Bridge State Park if anyone would like information on how this effort was created. Mr. Scalzo commented that it would be great to have a meeting in the Payson area again.

Claudine Mohney, Benefactors of Red Rock State Park, spoke in support of Red Rock State Park. She said there is a fundraiser on April 17 at Red Rock State Park. It will include hikes, lectures and everything will be coordinated by volunteers. She also thanked parks staff such as Jay Ream, Renée Bahl and Margaret Fernandez.

Marilyn Ruggles, Riordan Action Network, spoke in support of Riordan Mansion State Historic Park. She said she hoped the Parks Board will vote to approve the agreement with Arizona Historical Historical Society to keep Riordan Mansion State Historic Park. She said she has spoken to many groups in support of Riordan Mansion and all the parks in the system. She has spoken to media, the Governor and Legislature. Their group has raised money and have been holding fundraisers such as "Flagapalooza." Mr. Colton asked if one of the legislators she has contacted was Rep. Kavanaugh who

has been holding up HCR 2040. Ms. Ruggles said that Rep. Kavanaugh told her that the particular legislation was not going to pass because it is unconstitutional. She said she also spoke with Rep. Tobin and he spoke of supporting another bill HB 2060. Ms. Westerhaused commented that the Parks are lucky to have an ambassador such as Ms. Ruggles to deal with the Legislature. Chairman Woodling added that the Historic Parks are wonderful and well maintained and give people chance to review the history of this great state. He said that the Legislature has taken the Enhancement Fund which is revenue generated from all over the state and some of the money is used to benefit the non money-making parks such as Riordan, Tubac, Picacho and Tombstone Courthouse.

Leslie Roe, Arizona Historical Historical Society, Northern Arizona, thanked staff such as Jay Ream and Janet Hawks for working with the Historical Society on the agreement for Riordan Mansion State Historic Park. He commented that the ladies from the Riordan Action Network are a force of nature and if anyone can make a difference with the legislature then it is them.

Lt. Alan Nelson, La Paz County Sheriff's Office, spoke supporting the Law Enforcement Boating Safety Fund (LEBSF). Lt. Nelson spoke about HB2001 and HB 2007. He said that in January the Parks Board did not approve the money for park operations. Now the Legislature has passed these bills that allow state parks to use this money. Mr. Colton said the Parks Board has had nothing to do with these bills and told Lt. Nelson he should appropriately address the Legislature rather than the Parks Board. Lt. Nelson said he has been in contact with legislators.

Beth Woodin, Arizona Heritage Alliance, spoke in support of the Heritage Fund. She said that the Heritage Fund is gone and no longer in statute. She hopes that HCR 2040 goes to voters and the Heritage Alliance will not give up. She said they are not in favor of privatization but continuing to work with parks on agreements with public entities.

Ron Cheney, Volunteer, Roper Lake State Park, asked the Board to approve the agreement to keep Roper Lake State Park open.

Mitzi Rinehart, Volunteer, Lost Dutchman State Park, spoke in support of keeping rangers on staff in addition to volunteers.

Jeff Pierce, Public Works, spoke in support of Lyman Lake State Park. He asked why Lyman Lake State Park couldn't be open from May to September each year. Mr. Scalzo reminded the public that there are still other state parks open in Arizona. He said before people leave the state to please go to Fool Hollow Lake and other parks that are to remain open.

Bill Thornton, Arizona Heritage Alliance, spoke in support of parks in general. He said he wished the legislators were at the Parks Board meeting to hear the public's comments in support of parks.

Bill Meek, President, Arizona State Parks Foundation, spoke in reference to the Lake Havasu City letter that was read into the record earlier in the meeting. He said Mr. Cassens chose to quote the Sustainable State Parks Task Force report of which Mr. Meek was a member of the Task Force and principal author of the report. Mr. Meek said the Lake Havasu City solution is nothing the Task Force had in mind or intended. He said Lake Havasu City is offering approximately the State \$1,250,000 million over 25 years in exchange for revenue potential of approximately \$28 million. He said this is obviously a preposterous proposal. He continued by saying that if the Parks Board ever wants to put the Arizona State Parks system together again then Lake Havasu State Park is the last park that the Board would want to relinquish control of.

Roxanne Cheney, Volunteer, Roper Lake State Park, spoke in support of Roper Lake State Park. She said the friends of Roper Lake State Park are working on a number of fundraisers. She said she with the Governor when she came to Safford and questioned her about closing parks but said they were not a priority. She said she also spoke with Sen. Sylvia Allen who was excited about privatizing. She said her group continues to contact the legislature.

Mary Diaz, Lost Dutchman RV Park, spoke in support of Lost Dutchman State Park. She asked if the Parks Board is given Heritage Fund money then will it be used to enhance Lost Dutchman State Park? She asked why the Parks Board would make enhancements when they plan on closing the park? Chairman Woodling said he would refer that question to staff and Mr. Ream will answer that later in the meeting.

Robin Barker, Apache Junction City Council, spoke in support of Lost Dutchman State Park. She thanked the Parks Board for coming to Apache Junction to have the Parks Board meeting. She said the Board holding their meeting there shows support for the park here. She also thanked the public who came to make their comments. She also encouraged volunteers to keep working and to keep calling the Legislature and reminded the public about the meeting at Harley Davidson the next evening.

Cristie Statler, Executive Director, Arizona State Parks Foundation, spoke in support of HCR 2040. She said she would like the public to know that it is not unconstitutional, however, HB 2060 is unconstitutional. She said it would not be a sustainable solution for the parks system. She said the Arizona State Parks Foundation is creating friends groups in every area and is funding their work as best they can. She continued that the Foundation funded the Civil War re-enactments at Picacho Peak State Park and the Mariachi Festival at Patagonia Lake State Park.

- F. CONSENT AGENDA** – The following items of a non-controversial nature have been grouped together for a single vote without Board discussion. The Consent Agenda is a timesaving device and Board members received documentation regarding these items prior to the open meeting. Any Board member may remove any item from the Consent Agenda for discussion and a separate vote at this meeting, as deemed necessary. The public may view the documentation relating

to the Consent Agenda at the Board's office: 1300 W. Washington, Suite 104, Phoenix, Arizona.

- 1. Approve Minutes of February 17, 2010 Arizona State Parks Board Meeting**
- 2. Approve Executive Session Minutes of February 17, 2010 Parks Board Meeting**

Mr. Scalzo made a motion to adopt the Consent Agenda. Ms. Westerhausen seconded the motion. The motion carried unanimously.

#### **G. DIRECTOR'S REPORT**

Ms. Bahl said she wanted to tell the Board about some of the special events at the parks since January. Ms. Bahl said Yuma Territorial Prison State Historic Park hosted the annual Gathering of the Gunfighters. There were over 2500 participants over two days. At this event, Old West re-enactment groups ride into Yuma. She said at Fort Verde State Historic Park, the Buffalo Soldiers event was held. She said there were about 600 visitors, 50 volunteers worked at this event and the event brought in about \$2000. She said the dollar amount may not seem like much but it is significant for a park of this size. She said there were presentations, re-enactors and riders from the Buffalo Soldiers. She said Kartchner Caverns State Park hosted a Volunteer event for the volunteers that work at Kartchner Caverns. In February alone there were over 5,000 hours that volunteers gave. So far this year, volunteers gave 28,000 hours at Kartchner Caverns alone. She said these volunteers are equivalent to 10 full-time employees but the number of volunteers is actually 85. The purpose of the event was to give the volunteers a day off. She said the park cannot operate without them. They lead tours, work the front desk, the gatehouse and assist with maintenance. She said Volunteer Jim Hanson has alone donated 14,500 hours which is the highest number of volunteer hours to date for the agency. She said State Parks hosted the Volunteer Venture in March. This event is the volunteer recognition event for the whole agency. She said 130 volunteers and site stewards came to this event. She said the hours that all volunteers give equal 125 full-time employees which is one-third of State Parks' work force. She said State Parks could not run without these volunteers and thanked them on behalf of the agency.

Chairman Woodling asked Ms. Bahl to give a brief overview of Rocking River Ranch where the Volunteer event was held. Ms. Bahl said Rocking River Ranch is in the Verde Valley. She said it is State Parks' newest acquisition. It is not yet open to the public. There is a private concessionaire there at the park that helps manage the land. She said State Parks' vision is that someday this park will open to the public as part of the Verde River Greenway. She said Dead Horse Ranch State Park is open in that area and encouraged people to visit that park. Chairman Woodling said the Parks Board acquired this land was because of the water rights there that protect the Verde River Greenway. Chairman Woodling then said the Picket Post is the last acquisition and not Rocking River Ranch. He asked Mr. Ream if that is correct and Mr. Ream answered that Picket Post was the last acquisition. Chairman Woodling said that Picket Post is part of the Boyce Thompson Arboretum.

Ms. Bahl then continued and said Picacho Peak State Park hosted the Civil War in the Southwest event. This event was over two days with re-enactments of three Civil War battles. She said there were over 4,000 visitors and the funding of \$13,000 was from the Arizona State Parks Foundation and Union Pacific Railroad to make this event happen. She said interestingly the event made \$13,000 which is typical that special events are not money makers for the system but they bring in a lot of people to the parks. Ms. Westerhausen asked if this event was cancelled last year? Ms. Bahl answered yes. She said State Parks did not host the event last year.

## **H. DISCUSSION ITEMS**

### **1. Legislative Update**

Mr. Ziemann spoke about the Legislature's 7<sup>th</sup> Special Session. He said the Republican leadership solicited votes based on a single page that showed all of the fund sweeps and transfers. He said that the members did not see copies of the bills and the Democrats were not shown the single page.

Mr. Ziemann then spoke about the Legislature's Second Regular Session. He said the bills have passed and they are now sitting on Governors' desk for signature. He said he wouldn't be surprised if this session of the Legislature adjourns before the next Parks Board meeting. He gave the status of some of the other bills. He said HCR 2040 has stalled in House Appropriations. He said calls to House leadership are still welcome and appropriate for this bill. He said SB 1349 (emergency procurement authority) passed the Senate but it has not been assigned to any committees. This bill is one that Parks supports. He said the two bills that were introduced (SB 1370, HB 2756) that would require State Parks to lease Lake Havasu State Park to Lake Havasu City have died. He said HB 2060 will most likely be voted on before the next Parks Board meeting. He said he has made the point and believes them to understand that even if this passed it will only be a short-term solution. Chairman Woodling asked Mr. Ziemann HB 2060 requires a three-quarters vote majority. Mr. Ziemann answered yes. Mr. Colton asked Mr. Ziemann is there is a procedure to work around the House Appropriations Chair who is stalling HCR 2040? Mr. Ziemann answered there is but it is not one that likely to help Parks. Mr. Colton asked if Mr. Ziemann thought that HB 2060 is likely to get a majority? Mr. Ziemann answered that it may be possible to pass in the House but he is not certain if it would pass in the Senate or if the Governor would sign it. Ms. Baier asked Mr. Ziemann how long he has been State Parks' Legislative Liaison? Mr. Ziemann answered since 1994. Ms. Baier commented that the job is an extremely difficult one and Mr. Ziemann has done an extraordinary job. She said the Board owes you a bit of gratitude for all your work.

### **2. Update on revenue forecast, cash balance, operating budget, and cash flow by fund**

Mr. Ennis spoke about the budget bills (7<sup>th</sup> Special Session) that had direct monetary affects on State Parks' budget. He said next year the Off-Highway Vehicle fund will have a spending reduction of \$116,000 and an excess balance transfer of \$745,000. He

said the Partnership Fund will have a fund transfer this year of \$81,000, spending reduction of \$14,000 and another fund transfer next year of \$54,000. The Publications and Souvenir Fund, this fiscal year, will have a fund transfer of \$14,700 and a spending reduction next year of \$60,000. He said the Reservation Surcharge next year must have a spending reduction and fund transfer of \$96,600. He said effectively there is no difference between the two. The State Lake Improvement Fund will have a \$528,000 spending reduction and a \$345,000 balance transfer. He said the one nugget of good news is that the Legislature reversed the sweep of the Donations Fund that they made in December. However, next year they force a spending reduction of \$19,500 in that fund. He said the most problematic problem is that in FY 2009 and 2010 they swept the Enhancement Fund of \$1.9 million and will do the identical thing in FY 2011. This will make it difficult to keep parks open.

### **3. Heritage Fund Update – Remaining FY 2010 Revenues Withheld**

Mr. Ennis next spoke about the Heritage Fund. He said HB 2012 will divert all Lottery deposits into the Heritage Fund. He said the Legislature has, in fact, eliminated that statute for Lottery deposits to the Heritage Fund. He said further that for FY 2012 all Lottery funds to the Heritage Fund will revert to the general fund. He said HCR 2002 eliminates and transfer the Land Conservation Fund appropriation and balance to the general fund. He said this requires voter approval. This will have a significant impact on the agency because Parks earns \$1.5 - \$1.8 million annually in interest for agency operations from that fund. He said these monies were also allotted to rural communities for Land Conservation efforts in those areas which is what it was approved for by voters. He spoke next about the revenue projections. The Enhancement Fund is on target through February but is about one-percent below projections. SLIF is doing well. OHV is slightly concerning because the revenues fell short of the \$350,000 projections and was actually \$250,000 for the new decal. He said interest earnings have continued to be a problem because of declining balances and low interest rates. He said the approval the Board gave to the Director to move some funds including the Land Conservation Fund is working. He said the Governor sent a letter to the Lottery Director directing the Lottery to withhold distributing funds to Heritage Fund recipients including Parks the monthly distributions of Lottery funds beginning in February 2010. He said that deprived Parks of \$3.9 million.

He said this will make it difficult to come up with funds to that must be paid as required by law including the payment to the Forester. Mr. Ennis said Parks will still be short a minimum of \$700,000 for backfills. Mr. Scalzo asked about the \$1.5 million payment to the Forester. He asked what happens if Parks does not have the money to pay this bill or if Parks does have the funds but does not pay it. Mr. Ennis answered that there is money in for that and the Governor's Office will sweep it in that case. Mr. Scalzo then said in that case Parks should just let them do it. Ms. Bahl said that it is a law and not just a request from the Governor's Office. Mr. Scalzo then asked who is liable then – the Director or the Board? Ms. Hachtel answered that she would have to look at that before she advised the board on that issue. Chairman Woodling said he hoped the Board would vote not to break the law.



#### **4. Discussion on Suggested Donations and Entrance Fees**

Ms. Bahl said at a previous meeting the Board asked that this agenda item be added to another meeting. She said the suggestion was for Parks to not have entrance fees but instead have suggested donations instead when entering Parks. Mr. Colton said this idea came up because as entrance fees are swept that an alternative could be to have a suggested donation instead. He said that right now there are other alternatives such as HCR 2040 but this should be discussed in the future because soon there will no choice but to try this or to shut down.

#### **5. Development Project Update**

Mr. Ream said the current Development projects are at Buckskin Mountain, Lost Dutchman, Slide Rock, Tonto Natural Bridge and Jerome. The Buckskin lift station is now under construction. He said this project is an Arizona Department of Environmental Quality (ADEQ) compliance issue. Mr. Ream said the Lost Dutchman treatment plant is also an ADEQ compliance issue. This one is 100 percent complete and operating now. Slide Rock wastewater system and treatment facility. He said this upgrades the restroom and maintenance facility. He explained that this recycles the treated water back into the system for reuse and flushing the toilets. This project is 80-85 percent complete. He said the Tonto Natural Bridge project is in substantial completion. This project stabilized an overstressed infrastructure on the lodge building including new support beams and plenty of steel. He said it also has new ADA restrooms and the dining room is now ADA accessible. He said the next phase of this project is sleeping room, and bathroom and kitchen upgrades to the upstairs of the lodge. He said the Jerome Douglas Mansion stabilization project is underway. Some of the design build investigation is still going on. He said new adobe bricks are being made on-site. Next phase will include the garage facility. Mr. Ream said Development staff wanted him to acknowledge the work of Park Manager, Mike Rollins, at Jerome. He has rebuilt all of the windows in the main house, replaced a crumbling foundation in the carriage house and is saving the State considerable amount of money. Mr. Ream said there are some projects not yet under way that the Board voted on at the January Board meeting. These are now getting ready for the RFP phase. These include the Buckskin/River Island water treatment plant and shoreline stabilization and the Lost Dutchman restroom and shower building and campsite electrification. He said after electrifying the campsites at Lost Dutchman, Parks will be able to charge more for camping. Mr. Colton asked Mr. Ream to address the question from the public session. The question asked why put money into a park that will be closing. Mr. Ream said the idea is similar to what Parks did at Tonto Natural Bridge. The park would close during construction which is during the park's slow season. Then it would reopen during the busy season provided there are enough operating funds. He said the goal there is to close the park but to keep the trails open with a partnership with the community in Apache Junction.

## I. BOARD ACTION ITEMS

1. **Consider Delegating Authority to the Executive Director to Enter into Leases and Other Contracts** – Staff recommends the Arizona State Parks Board delegate to the Executive Director the authority to enter into leases and/or other contracts with governmental and non-profit entities, as may be necessary, for the sole purpose to keep parks open.

Mr. Ream said this action item delegates authority for leases to the Executive Director. He said, at the September Board meeting, the Board authorized the Executive Director to enter into agreements. This Board Action is to clarify that authority as it pertains to leases and for the purpose of keeping parks open. Mr. Ream said staff recommends Arizona State Parks Board delegate to the Executive Director the authority to enter into leases and other contracts with governmental and non-profit entities as may be necessary for the sole purpose to keep parks open.

### **Board Action**

Mr. Scalzo: I move that the Parks Board delegate to the Executive Director the authority to enter into agreements with governmental and non-profit entities as may be necessary for the sole purpose to keep parks open.

Ms. Westerhausen seconded the motion. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

2. **Consider Endorsing an Intergovernmental Agreement with the Town of Camp Verde for the Operation of Fort Verde State Historic Park** – Staff recommends that the Arizona State Parks Board endorse the major components of the agreement with the Town of Camp Verde for the operation of Fort Verde State Historic Park.

Mr. Ream said the next action items are IGAs/partnerships. He said there are five community partnerships for the Board to consider today. These agreements are still being agreed upon and under review by the Attorney General's Office. He said each park and its community partnership has its unique attributes and each of the partners has their own special need. He said some are in nearly final draft and others are very close. He said staff is asking the Board to endorse the major components of these agreements. He said staff is working on the proper vehicle of the agreement so staff has made some adjustments to the staff recommendation from the discussion in Executive Session.

Mr. Ream said Camp Verde is the first of these agreements. He said the Town of Camp Verde has been a long time partner of the Board. The provided \$34,000 to date in order to keep the park open to the public. On March 3, 2010, the Town Council took action and approved an IGA to provide \$105,000 to operate the park for one year. He said there has been an outpouring of volunteer effort there with the major components of

this being a one-year term with two one-year options with the \$105,000. This park will be operated by Arizona State Parks employees. These will include a park manager and some seasonal park rangers/park ranger specialists. He said the revenues will be retained by the Parks Board. Mr. Ream said the staff recommendation is for the Board to consider endorsing this agreement.

**Board Action**

Ms. Westerhausen: I move that the Arizona State Parks Board endorse the major components of the agreement with the Town of Camp Verde for the operation of Fort Verde State Historic Park.

Mr. Colton seconded the motion. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

- 3. Consider Endorsing a Lease and an Intergovernmental Agreement with the City of Yuma for the Operation of Yuma Territorial Prison State Historic Park** – Staff recommends that the Arizona State Parks Board endorse the major components of the agreement with the City of Yuma for the operation of Yuma Territorial Prison State Historic Park.

Mr. Ream said the agreement for Yuma Territorial Prison is modeled after the one already in place with the City of Yuma regarding the Yuma Quartermaster Depot. He said the key components are that it is a three-year term with two three-year options. The park will be operated by the City of Yuma and revenues will be retained by the City of Yuma. He said staff recommends that the Arizona State Parks Board endorse the major components of the agreement with the City of Yuma for the operation of Yuma Territorial Prison State Historic Park.

Mr. Colton asked about a specific clause in the agreement that mentions the Gift Shop merchandise. He asked if that means there are only certain places that Arizona State Parks will be able to sell the gift shop items or does that mean Yuma must sell only Arizona State Parks gift shop items? Mr. Ream responded that it means that some of the items sold at the Prison must be State Park items.

**Board Action**

Mr. Colton: I move that the Arizona State Parks Board endorse the major components of the agreement with the City of Yuma for the operation of Yuma Territorial Prison State Historic Park.

Ms. Westerhausen seconded the motion. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

- 4. Consider Endorsing a Lease and Intergovernmental Agreement with the City of Tombstone for the Operation of Tombstone Courthouse State Historic Park** – Staff recommends that the Arizona State Parks Board endorse the major

components of the agreement with the City of Tombstone for the operation of the Tombstone Courthouse State Historic Park.

Mr. Ream first said he wanted to clarify that it is the City of Tombstone not the Town of Tombstone. He said this agreement is also modeled after the one with the City of Yuma. The key components include a three-year term with two two-year extensions. The City of Tombstone will operate the park and the fees will be retained by the City. He said the details are still being negotiated but these are the major components of the agreement. Chairman Woodling asked Mr. Ream to clarify that it is now two two-year extensions and no longer one-year extensions. Mr. Ream responded yes. Mr. Ream said staff recommends that the Board endorse the major components of this agreement with the City of Tombstone for the operation of Tombstone Courthouse State Historic Park.

**Board Action**

Mr. Colton: I move that Arizona State Parks endorse the major components of this agreement with the City of Tombstone for the operation of Tombstone Courthouse State Historic Park.

Ms. Westerhausen seconded the motion. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

5. **Consider Endorsing a Lease and an Intergovernmental Agreement with the Arizona Historical Society for the Operation of Riordan Mansion State Historic Park** – Staff recommends that the Arizona State Parks Board endorse the major components of the agreement with the Arizona Historical Society for the operation of the Riordan Mansion State Historic Park.

Mr. Ream said this agreement is with the Arizona Historical Society (AHS). He said this agreement is dynamic. The current status is that staff will enter into an agreement with AHS. AHS will fund a part-time Park Ranger III and 1040 hours for a Park Ranger Specialist. He said the term will be three years with two three-year options to renew. The revenues will be retained by AHS. He explained that it is a similar agreement to other agreements. Mr. Ream said staff recommends that the Arizona State Parks Board endorse the major components of the agreement with the Arizona Historical Society for the operation of Riordan Mansion State Historic Park.

**Board Action**

Ms. Westerhausen: I move that the Arizona State Parks Board endorse the major components of the agreement with the Arizona Historical Society for the operation of the Riordan Mansion State Historic Park.

Ms. Baier seconded the motion. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

6. **Consider Endorsing an Intergovernmental Agreement with the Town of Payson for the Operation of Tonto Natural Bridge State Park** – Staff

recommends that the Arizona State Parks Board endorse the major components of the agreement with the Town of Payson for the operation of Tonto Natural Bridge State Park.

Mr. Ream said The Town of Payson was the very first partner with Arizona State Parks. In April of 2009 on a hand shake agreement, Mayor Kenny Evans promised \$9,000 to open the park on weekends until the end of the fiscal year (June 2009). He said in July Parks entered into an agreement for \$15,000 from the Town of Payson to keep the park open throughout the construction of the lodge. He said since then the construction is now substantially complete. He said Since September 2009, the park has remained open on a five-day schedule under Arizona State Parks without any money from the Town of Payson. He continued that recently the Town Council voted to provide Arizona State Parks with \$25,000 to keep Tonto Natural Bridge open until September 27, 2010. The key components of this agreement are that it extends the closing date to September 27, 2010. He said this will allow State Parks to work more with the Town and other partners to keep it open passed that date. The park will be operated by Arizona State Parks and the revenues will be retained by Arizona State Parks. He continued that the Town of Payson agreed to give Arizona State Parks up to \$25,000 to subsidize the operation of Tonto Natural Bridge during this time. He said the park was scheduled to close on June 3, 2010. Mr. Ream said staff recommends that the Arizona State Parks Board endorse the major components of the agreement with the Town of Payson for the operation of Tonto Natural Bridge State Park.

Ms. Westerhausen asked if the September 27 date was chosen to help accommodate the Town's busiest tourist season. Mr. Ream responded affirmatively. He said the revenues for the park drop significantly in October. Mr. Colton asked where the money the Town gives State Parks goes? Mr. Ream said the money would go into the Partnership Fund.

#### **Board Action**

Ms. Westerhausen: I move that the we endorse the major components of the agreement with the Town of Payson for the operation of Tonto Natural Bridge State Park.

Mr. Scalzo seconded the motion. Chairman Woodling asked if the word "intergovernmental" should be added to the motion. Ms. Hachtel said the motion was fine as it stands. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

#### **7. Consider Alterations of Planned Park Closures** – Staff recommends the Board consider revising park closure dates in anticipation of implementing operating agreements.

Mr. Ream said staff is now working with almost every community where a park is closed or is scheduled to close. He continued the first set of closures were scheduled for February 22, 2010. These included Homolovi Ruins and Lyman Lake State Parks. The current status of Homolovi Ruins is that the park is closed to the public and staff is working to secure buildings. He said law enforcement staff will remain on the park to provide security at the premises. The current status of Lyman Lake is that the park is closed to the public. However, he said there have been successful negotiations with

Apache County. They are offering \$40,000 to possibly fund the park through the month of August 2010. The agreement may include help from Apache County and the Department of Corrections. Ms. Westerhausen asked about how the Department of Corrections would help? Mr. Ream said there is a prison in that area. He said they would help with maintenance and the County already uses prison crews. Mr. Ream said this would help because staff has already been greatly reduced.

Chairman Woodling asked for clarification on Homolovi Ruins. He asked about the law enforcement person to remain there. Mr. Ream said it is an Arizona State Parks Law Enforcement Ranger. He said he will be a resident on that park. Chairman Woodling asked if the Hopi Tribe has come forward with an offer of help with security at that park. Mr. Ream responded that there are some jurisdictional issues with that and is still working with the Hopi Tribe on that issue.

Mr. Ream said the next group of parks to discuss are those scheduled to close on March 29, 2010. He said among those parks are Fort Verde State Historic Park which the Board has just endorsed an agreement with the Town of Camp Verde to keep that park open. Mr. Ream said there is a new staff recommendation with regards to Roper Lake State Park. He said State Parks received a letter from the County Board of Supervisor Drew John who requested a 60-day extension. He said partnering with them is the Arizona Game and Fish Department who have offered up to \$20,000 to cover operational costs during the 60-days while State Parks works on a final solution. Mr. Ream said staff recommends the Board amend the closing date of Roper Lake State Park from March 29, 2010 to June 3, 2010.

### **Board Action**

Mr. Colton: I move the Arizona State Parks Board revise the closing date of Roper Lake State Park from March 29, 2010 to June 3, 2010 at 5:00 p.m. MST.

Ms. Westerhausen seconded the motion. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

Mr. Ream then said the Board has endorsed an agreement to keep Riordan Mansion State Historic Park open through an agreement with the Arizona Historical Society. Mr. Ream continued that the Board today has endorsed an agreement to keep Tombstone Courthouse State Historic Park open through an agreement with the City of Tombstone.

Mr. Ream said staff is working with the Tubac Historical Society to provide funding for continued park operations of Tubac Presidio State Historic Park. The Tubac Historical Society is meeting with Santa Cruz County and the Arizona Historical Society to look for a governmental sponsor. As Carol Cullen mentioned in the public session, those meetings are going on simultaneously with this one. Mr. Ream reminded the Board that State Parks cannot enter into an agreement with a non-profit organization without soliciting it out in a bidding process. Mr. Ream said State Parks is hopeful is solution

will be found for Tubac Presidio State Historic Park. Mr. Colton asked Mr. Ream to tell the Board what kind of agreement they might expect to have at Tubac. Mr. Ream said he would not like to comment at this time until an agreement is in further negotiations. Mr. Colton commented that because of liability issues State Parks has not required volunteers to do the work that staff now handles. However, he said as State Parks moves forward with less staff, the agency will have to utilize volunteers for more work than ever before. Chairman Woodling asked Mr. Ream if Tubac Presidio is still slated to close on March 29, 2010. Mr. Ream responded that is correct.

Mr. Ream continued that the Board today has endorsed an agreement to keep Yuma Territorial Prison State Historic Park open through an agreement with the City of Yuma. He said this concludes the discussion of parks slated to close on March 29, 2010.

The discussion moved to parks slated to close on June 3, 2010. For Alamo Lake State Park, State Parks has had initial meetings with La Paz County and the Town of Wickenburg. With the help of the Arizona Game and Fish Department as well, Mr. Ream said there is hope this park may remain open throughout fiscal year 2011.

For Lost Dutchman State Park, staff is in preliminary discussions with community partners. He reminded the public that there is a community meeting at Harley Davidson on March 18, 2010. He said there Parks is now drafting an agreement with the City of Apache Junction. The major components will include parks security, special events to help promote the park and raise money to provide funds for park operations. He said it will also include equipment sharing and loan from Apache Junction and cross marketing between the two agencies, and finally, strategies to keep the park open. These strategies will include raising funds and providing volunteers. He said he expected this agreement to be heard at the next Parks Board meeting.

Mr. Ream said for Picacho Peak State Park, he will have a meeting on March 18, 2010 with the City of Eloy. Mr. Colton asked if there is a friends group at Picacho Peak State Park. Mr. Ream responded no. Chairman Woodling said his friend will be meeting with the Mayor of Town of Marana to see if there is interest there and will have them call Mr. Ream. Ms. Baier recommended staff speak to Pinal Partnership and Sandy Smith, Executive Director, in regards to Picacho Peak State Park. She then volunteered to make a pitch to them for Picacho Peak. Chairman Woodling asked if there was a way the railroad might help with regards to Picacho Peak. Mr. Ream said the Arizona State Parks Foundation has been working with the railroad since State Parks has opposed the rail yard there. Ms. Baier said Mr. Landry does represent Union Pacific Railroad it may be an opportunity for Mr. Landry to help with them.

Mr. Ream then continued to Red Rock State Park and the Benefactors of Red Rock State Park. He said there have been talks with Yavapai County and the City of Sedona. They are working to provide funds to State Parks to keep this park open in fiscal year 2011. Yavapai County has already set aside some money for that park. The park may stay open with a reduced staff and dependence on volunteers.

Mr. Ream spoke next about Tonto Natural Bridge State Park. He said the Board today has endorsed an agreement to keep Tonto Natural Bridge State Park open through an agreement with the City of Payson. He said staff recommends the Board revise the closing date of Tonto Natural Bridge State Park from June 3, 2010 to September 27, 2010 at 5:00 p.m. MST.

**Board Action**

Mr. Scalzo: I move the Arizona State Parks Board revise the closing date of Tonto Natural Bridge State Park from June 3, 2010 to September 27, 2010 at 5:00 p.m. MST.

Ms. Baier seconded the motion. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

**8. Consider Proposal by Lake Havasu City to Enter Into a Lease Agreement with Arizona State Parks to Allow the City to Operate, Manage and Maintain Lake Havasu State Park – Staff recommends the Arizona State Parks Board continue to operate Lake Havasu State Park.**

Mr. Ream said in a February 22, 2010 letter to the Executive Director, Lake Havasu City proposed the City would lease the park for 25 years and provide up to Arizona State Parks up to \$50,000 per year. The City would retain all fees and accept the Parks annual pass for the first two years. He said sub leases and concessions would be negotiated separately. He continued that at the end of the lease period and the closure of the park becomes imminent, then parks would transfer its patent rights to the City. He said as reported earlier there are two bills that would require Arizona State Parks Board to lease Lake Havasu State Park to the City. [Mr. Ream then referred to the map that is attached with these minutes].

Mr. Ream said Arizona State Parks can transfer control of these properties upon approval by the BLM but only if both parties agree. At the January 15, 2010 Parks Board meeting, the Board took action to keep Lake Havasu State Park open because of it is a high revenue producing park and its revenue covers its costs of operation. He said in fiscal year 2009, Lake Havasu State Park earned \$812,000 with net revenues of \$38,000 (profit). The estimated revenues for fiscal year 2011 is \$1,125,000 with estimated net revenues of \$424,000. He said the new fees went into effect on March 1, 2010. The day-use fees went from \$8 per vehicle to \$10 per vehicle but up to \$15 per vehicle on weekends and during the busy season. He continued that the premium annual pass went from \$125 per year to \$200 per year. He said staff did project a 39 percent drop in annual passes sales when they made these projections. He said State Parks still realize about \$400,000 in revenues from that pass and shows how popular the pass is. For fiscal year 2010, visitation is now up at the park by 27 percent and revenues are up 16 percent. He said this is before spring break, the busiest time for this park, and before the new fees went into effect. Mr. Ream said staff recommends the Arizona State Parks Board continue to operate Lake Havasu State Park.



Mr. Colton said, with all good respect to Lake Havasu City, that he found no good reason why the Arizona State Parks Board would entertain this type of arrangement that would basically siphon off one of the moneymakers and one of the key parks of the Arizona State Parks system to Lake Havasu. He said he is certain they would manage the park well, but the loss of the revenues of this park would cause other parks in this system to fail, to close or to remain closed. He said there have been a number of potential good partners and entities around the state and the possibilities are great. He said this one does not work that way.

**Board Action**

Mr. Colton: I move the Arizona State Parks Board, respectfully with consideration of the letter received from Lake Havasu City, continue to operate Lake Havasu State Park.

Ms. Baier seconded the motion. Ms. Westerhausen then said she would like to compliment all the people who came here today with their partnership programs in the spirit of generosity that she says is absent in the Lake Havasu City proposal. She continued that she doesn't think the Arizona State Parks Board should ethically, and perhaps not lawfully, sell this asset to the benefit of Lake Havasu City to the detriment of the rest of the State of Arizona. She said if they were serious about negotiation they may have started out with more than \$50,000 per year when the fair market value is many times that amount.

Chairman Woodling said he read the letter as directed by staff and it is in the public record. He said he is hoping this motion passes. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

- 9. Consider Approval of a Reduction in the Director's Salary If/When Such a Salary Reduction is Implemented for Covered Employees** – Staff recommends that the Board reduce the Executive Director's salary if/when such a salary reduction is implemented for covered employees in FY 2010 or FY 2011.

Chairman Woodling said the next item is considering reduction of the Director's salary if and when a salary reduction is implemented for covered employees. Mr. Colton asked if the board action cover scenarios for covered and uncovered employees. Ms. Bahl responded that it does. She continued that the way the legislation is proposed it appears it is a mandatory salary reduction for everyone. She said she recommends the board take this action to be certain that she is covered when this action takes place. Mr. Colton said he is sorry for all of State Parks' employees.

**Board Action**

Mr. Scalzo: I move that if FY 2010 and FY 2011 budget requires a reduction in salary for covered employees the Executive Director's shall reduce her salary by the same percentage with the same effected date. If the percentage of salary reduction will reduce the Executive Director below levels required by the Arizona Department of Administration(ADOA) pursuant to ARS 38-611 the Executive Director shall reduce her salary by the maximum amount that would comply with ADOA's requirements.

Ms. Baier seconded the motion. Ms. Westerhausen noted that Sen. Ken Chevront called for a salary reduction of the Legislature and it was rejected by the Legislature. She said she thinks his point is well taken. She said the Board has no choice but to follow the law on this but it is truly distasteful.

Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously with Mr. Landry and Mr. Armer absent.

Chairman Woodling complimented the entire Board on keeping up with the issues. He said they work with staff in the most positive way possible and keep up with the issues and reading materials, including letters from constituents, more than he has ever seen. He said this Board has gone the extra mile in doing whatever they can to help this Parks Board, the agency and the parks themselves to stay open and be functional.

**J. TIME AND PLACE OF NEXT MEETING AND CALL FOR FUTURE AGENDA ITEMS**

1. Staff recommends that the next Arizona State Parks Board Meeting be on Wednesday, April 21, 2010.
2. Board members may wish to discuss issues of interest to Arizona State Parks and request staff to place specific items on future Board meeting agendas.

Chairman Woodling said the staff recommends the next Parks Board meeting be on Wednesday, April 21, 2010.

**K. ADJOURNMENT**

Chairman Woodling said the staff recommends the next Parks Board meeting be on Wednesday, April 21, 2010.

Mr. Colton made a motion to adjourn the meeting. Ms. Westerhausen seconded the motion. Chairman Woodling called for a vote on the motion on the Floor. The motion carried unanimously.

Ms. Bahl reminded the public that the Board will break for lunch at Lost Dutchman State Park and afterward take a tour of the park. She invited the public to come to the park as well.

The meeting adjourned at 1:30 p.m.

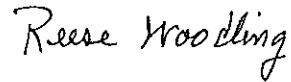
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Pursuant to Title II of the Americans with Disabilities Act (ADA), Arizona State Parks does not discriminate on the basis of a disability regarding admission to public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the ADA Coordinator at (602) 542-4174; or TTY (602) 542-4174. Requests should be made as early as possible to allow time to arrange the accommodation.

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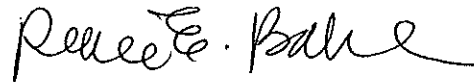
(602) 542-4174. Requests should be made as early as possible to allow time to arrange the accommodation.

APPROVED:



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Reese Woodling, Chairman



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Renée E. Bahl, Executive Director